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U. S. DEPARTMENT OF AGRICULTURE

MONDAY, FEBRUARY 8, 1943

SUBJECT:

"WARTIME LIVING COSTS." Information from agricultural economists of the U.S. Department of Agriculture and officials of the Office of Price Administration.

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You can start an argument almost anywhere these days about how much the war has brought the prices up---prices of food especially, but also prices of clothing and household goods.

Government workers who go into the matter of cost of living scientifically have figures to contribute to any such argument. Let's have a look today at some of their recently published figures having to do with the living costs in wartime.

Perhaps you would like to know first just how much living costs in the United States went up during our first year of war—the total rise. The answer is: 9 percent. That's the rise just since we have been at war. But since the outbreak of war in Europe the rise has been slightly more than 22 percent. If that sounds like a lot, look back to the figures from the last war. In the same period during the last war living costs rose 35 percent as against 22 percent in this war.

You often hear discussion of living costs now as compared with those of the prosperous twenties and the depressed thirties. Well, here are figures that relate to that.

In December—this last December—the cost of food in cities in the United States was about the same as in December '29. And that is 33 percent higher than the cost of food during the years '35 through '39—taking average food costs of those years.

By the way, in month of December food prices went up a little over one percent. That rise was mostly fresh fruits and vegetables. Winter naturally brings a seasonal rise in fresh fruits and vegetables shipped from the warm parts of the



country. Prices of most fresh fruits and vegetables were not under Government control. Citrus fruits, potatoes and onions were the only ones under price control. The prices of foods under control went up only half of one percent.

Let's go on to a few other notes about food. Egg prices usually go down in December and keep on going until they reach their spring low when supplies of eggs are high. But this past December egg prices went up instead of down. Many localities reported shortages of most meats but generally reported enough fresh fish and poultry. In many cities the price of butter went up slightly because of the shortage of butter.

As for how much food prices have gone up in the last half year, the figures show this. During the 6 months from May to December the total rise of food prices is 9 and one-tenth percent. Foods under Government price control rose almost 7 percent. Foods not under control rose almost 30 percent in price.

The war's effect on the cost of clothing is interesting. The garments showing the greatest rise in price since 1939 are men's cotton work shirts and women's cotton wash dresses. Men's work shirts have gone up in price more than 5 percent and women's percale wash dresses have gone up more than 63 percent. Women's shoes show the least rise in price since '39 and men's overcoats.

Recent figures on the price of clothing—figures for this last month of December show that men's woolen suits and overcoats, men's cotton shirts and work trousers as well as women's rayon underwear were selling for higher prices on the average. However, in some cities the prices of women's wool coats, percale dresses and shoes went down.

Here's a glimpse into the way prices of house furnishings have been going since the war. Sheets have taken the biggest rise in recent years. Since 1939 the price of sheets has gone up more than 53 percent. Next to sheets, living room furniture has gone up most—over 40 percent. Rugs and wool blankets have gone up around 23 percent.

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In December last the price of furniture and sheets went up in many cities.

And the price of rugs and electric light bulbs went down in several places. Pittsburgh reported a drop in furniture prices that month.

Here are some notes on prices of other things in the cost of living picture. Several cities reported higher rates for hospital rooms. A few reported higher charges for beauty and barber shop services. Fuel costs rose one-tenth of one percent because of advances in coal prices. But rents in most large cities are now under Federal control so the last monthly price report showed rents generally unchanged.

Now for a prediction about certain prices that won't be going up in the future. Government Price Administration officials recently announced that the price housewives will pay over the next year for the 4 major canned vegetables—tomatoes, peas, snap beans and sweet corn—will be about the same as the price they are paying now. This stabilizing prices of canned goods is part of the program announced by the Secretary of Agriculture—and particularly interesting right now when canned goods are so soon going under point rationing.

That's all the price notes for today.

